

NEWS RELEASE

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New Government Partnership Boosts Affordable Housing for Rural Utah

A new multi-agency partnership will improve the quality of many rural Utah homes. The Utah Division of Housing and Community Development (DHCD) and the Rural Development Office of the U.S. Department of Agriculture are jointly funding a new program serving Utah's rural communities. The partnership will be announced at 11:30 a.m. on September 6, 2005 at the Utah Department of Community and Culture, 324 South State Street, room 501, Salt Lake City.

"A recent survey of rural Utah counties shows a significant need for rehabilitation of affordable housing units. The situation is critical in some areas with 30% of homes being dilapidated or deteriorated. Our partnership will make a tremendous difference for Utah's rural residents," according to Gordon Walker, DHCD Division Director.

Under the partnership, DHCD's Olene Walker Housing Loan Fund will contribute \$2 million over two years. This includes federal HUD funds and state appropriations while the Rural Development Office plans to contribute almost \$4 million each year. Funds will be distributed to five Associations of Government (AOG) representing 21 rural counties. The Associations of Government offices will work with eligible lower income applicants to rehabilitate their homes. The homeowners will receive low interest loans to cover rehabilitation costs. Interest rates will generally average between one and three percent, depending on household income.

"Many rural homeowners have not possessed the income necessary to make improvements to their homes. Improvements such as a new roof can help stabilize a deteriorating home, and a new efficient furnace can keep residents healthy," states John Cox, USDA Rural Development Director for Utah. Other common repairs include new exterior siding, handicapped access ramps, upgraded electrical and plumbing, more efficient windows and doors, and painting.

According to Midvale Mayor Joann Seghini who chairs the State of Utah's Olene Walker Housing Loan Fund Board, "This new partnership gives a boost to rural Utah by preserving houses as livable, healthy, and economical. The program creates economic development opportunities as well. A recent study suggests housing rehabilitation activities create 26 new jobs for every \$1 million in projects."

The five Associations of Government partners include: Bear River AOG in Logan, Five County AOG in St. George, Six County AOG in Richfield, Uintah Basin AOG in Roosevelt, and Southeastern Utah Association of Local Government in Price.